DEPARTMENT OF THE AIR FORCE WASHINGTON, DC



OFFICE OF THE ASSISTANT SECRETARY

0 7 JUN 1999

MEMORANDUM FOR SEE DISTRIBUTION LIST

FROM: SAF/IAX

1080 Air Force Pentagon Washington, DC 20330-1080

SUBJECT: Period of Availability Policy for the Execution of an Letter of Offer and

Acceptance (LOA) (IAX 99012) (AFMAN 16-101, 1 Sep 95)

When the USG provides an LOA for acceptance to a Foreign Military Sales (FMS) customer, included in that LOA is an estimated period of availability (AFMAN 16-101, para. 4.6.3 for Defined Order cases and AFMAN 16-101, para. 4.21.3.4 for Blanket Order cases). This period can be represented either in a single number of months (e.g., 36, 48, 12), or as a range of months (e.g., 2-12, 2-60, 12-72). The purpose of this availability is to inform the customer when execution of a particular line on an LOA will be utilized (e.g., services, program management, major end items), and/or delivered (e.g., defined order cases for support equipment, CAD/PAD).

The period of availability also identifies the time frame in which obligation authority can be executed. As such, it is crucial that the period of availability coincides with the obligation authority executed. Any obligation beyond the period of availability is not authorized and may cause Purchasers to have difficulties meeting their financial obligations to the USG. Therefore, effective immediately, all case and program managers shall ensure the integrity of the period of availability and obligation authority execution. In short, when a period of availability expires, the authority to obligate funds expires.

This includes all defense services (e.g., manpower, contracted services, and training requirements). For defense articles please coordinate with your servicing legal office for guidance. This policy requires proactive case management. It is the responsibility of the case manager to process timely documentation, when required, to amend the period of availability. Keep in mind that changing the period of availability may also require a manpower package, reevaluation of the financial position of the case, and customer notification.

In cases where salary reimbursement is involved, only those pay periods within the LOA's period of availability should be reimbursed unless competent legal authority provides otherwise. It is therefore incumbent upon the case and program manager to ensure the LOA is an accurate document, which reflects the execution and delivery required for the materiel and/or services

Normally, periods of availability are considered a change in scope and are adjusted via an LOA amendment. Modification may be utilized in exceptional cases and require SAF/IAX approval (e.g., materiel delivery slippage, program slippage).

Case and program managers must monitor case periods of availability and process timely adjustments, taking into consideration the remaining availability, and required time to acquire USG approvals and country acceptance of the amendment.

Questions concerning this matter can be directed to Patrick Fox, SAF/IAXM, DSN 425-8367, commercial (703) 461-3463, or email <u>patrick fox@pentagon.af.mil</u>.

ERIC VRANEK, Col, USAF

Chief, Policy Division

Deputy Under Secretary, Int'l Affairs

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